

**EVENT VIOLATION**  
**INSPECTOR'S STATEMENT**  
**MINERALS REGULATORY PROGRAM**

Company/Mine: I & P Investments, LLC. Green Peak Quarry  
Permit #: M/003/060

NOV # MN-05-01-12 (2)  
Violation # 1 of 2

**SERIOUSNESS**

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of event below and remember that **the event is NOT the same as the violation.** Mark and explain each event.

- |                                     |    |  |
|-------------------------------------|----|--|
| <input type="checkbox"/>            | a. | Activity outside the approved permit area.                     |
| <input type="checkbox"/>            | b. | Injury to the public (public safety).                          |
| <input type="checkbox"/>            | c. | Damage to property.  |
| <input type="checkbox"/>            | d. | Conducting activities without appropriate approvals.           |
| <input type="checkbox"/>            | e. | Environmental harm.  |
| <input type="checkbox"/>            | f. | Water pollution.   |
| <input checked="" type="checkbox"/> | g. | Loss of reclamation/revegetation potential.                    |
| <input type="checkbox"/>            | h. | Reduced establishment, diverse and effective vegetative cover. |
| <input type="checkbox"/>            | i. | No event occurred as a result of the violation.                |
| <input type="checkbox"/>            | j. | Other.   |

Explanation: The Operator did not salvage all available topsoil prior to creating mining related disturbances.

2. Has the event or damage occurred? no  
If yes, describe it. If no, what would cause it to occur and what is the probability of the event(s) occurring? (None, Unlikely, Likely).

Explanation: It is likely this event would occur unless the soil material not salvaged is obtained from other sources.

3. Did any damage occur as a result of the violation? Yes

4. If yes, describe the duration and extent of the damage or impact. How much damage may have occurred if the violation had not been discovered by a DOGM inspector? Describe this potential damage and whether or not it would extend off the disturbed and/or permit area.

Explanation: There is a loss of soil resources that is now buried underneath a waste rock dump. Exact volume of material lost is not known until remaining soil material is stockpiled and inventoried. (up to 2,400 cu. yds. of soil material may have been lost).

**B. DEGREE OF FAULT** (Check the statements which apply to the violation and discuss).

- ☐ Was the violation not the fault of the operator (due to vandalism or an act of God), explain. Remember that the permittee is considered responsible for the actions of all persons working on the mine site.

Explanation: \_\_\_\_\_

- ☒ Was the violation the result of not knowing about DOGM regulations, indifference to DOGM regulations or the result of lack of reasonable care.

Explanation: The operator indicated that he had equipment break down and could not stockpile the soil materials with other equipment he had on site. However, he did have equipment that he could have salvaged the soil and stored in temporarily in a different location.

- ☐ If the actual or potential environmental harm or harm to the public should have been evident to a careful operator, describe the situation and what, if anything, the operator did to correct it prior to being cited.

Explanation: \_\_\_\_\_

- ☒ Was the operator in violation of a specific permit condition? Yes

Explanation: The approved permit required stockpiling of soil materials prior to the onset of mining related disturbances.

- ☐ Has DOGM cited the violation in the past? If so, give the dates and the type of warning or enforcement action taken.

Explanation:

Was any economic benefit gained by the operator for failure to comply? \_\_\_\_\_  
If yes explain.

Explanation:

**GOOD FAITH**

1. In order to receive good faith for compliance with an NOV or CO, the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give date) and describe the measures the operator took to comply as rapidly as possible.

Explanation: The operator began immediately to salvage remaining soil.


2. Explain whether or not the operator had the necessary resources on site to achieve compliance.

Explanation: The operator requested additional time to fully comply - he will salvage soil materials ahead of mining (and waste rock pile expansion), but cannot move soil materials to the stockpile area until equipment is repaired (estimated 45 days to obtain parts from Korea). Once soil material is stockpiled, an estimate will be made of the amount of material salvaged and the deficit will be made up from other sources.

3. Was the submission of plans prior to physical activity required by this NOV / CO? no explain.

Explanation:

Lynn Kunzler  
Authorized Representative

  
Signature

August 31, 2005  
Date